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Provisional summary record of the 28th meeting

Held at the Palais des Nations, Geneva, on Wednesday, 10 July 2013, at 10 a.m.

President: Mr. Hoxha (Vice-President).....(Albania)

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In the absence of Mr. Osorio (Colombia), Mr. Hoxha (Albania), Vice-President, took the Chair.

The meeting was called to order at 10.10 a.m.

Opening of the operational activities segment

The President, opening the operational activities segment, said that the adoption of General Assembly resolution 67/226 was a clear sign of Member States' commitment to increasing the effectiveness and efficiency of United Nations operational activities for development. Steps must be taken to: improve funding for such activities; streamline the United Nations Development Assistance Framework (UNDAF) and country programming processes; strengthen the resident coordinator system; simplify and harmonize business practices; improve system-wide reporting and evaluation mechanisms; and consolidate the "Delivering as One" process. The Council's role would be to monitor implementation of the resolution.

Standard operating procedures for countries wishing to adopt the "Delivering as One" approach had been adopted. More detailed guidelines would be finalized later in 2013. The Secretary-General had established an interim mechanism for independent system-wide evaluation of operational activities for development. That entity had submitted a policy document for the Council's consideration and a proposal would be placed before the Council on piloting system-wide evaluations.

Mr. Eliasson (Deputy Secretary-General of the United Nations), speaking by video link, said that in discussions on the progress made in implementing General Assembly resolution 67/226, account should be taken of developing countries' evolving needs. Many developing countries were crossing the threshold to middle-income status but still faced challenges and continued to look to the United Nations for support. As countries moved up the development ladder, they would need more upstream policy support. The analytical capabilities of the United Nations must thus be bolstered to keep up with new demands. General Assembly resolution 67/226 could play a critical role in efforts to enable the Organization to realize its full potential. He and the Secretary-General fully supported it.

Operational activities of the United Nations for international development cooperation (A/67/708-E/2013/4)

(a) Follow-up to policy recommendations of the General Assembly and the Council (A/68/97-E/2013/87)

The President invited the Council to begin its consideration of agenda item 3. He drew attention to two further documents relating to sub-item (a) that had been circulated by the Secretariat in informal papers: a report of the Secretary-General on the implementation of General Assembly resolution 67/226; and a note by the Secretary-General transmitting the report on policy for independent system-wide evaluation of operational activities for development of the United Nations system.

Mr. Hanif (Director, Office for ECOSOC Support and Coordination, Department of Economic and Social Affairs) said that the Secretary-General's report on the implementation of General Assembly resolution 67/226 discussed an evidence-based framework for measuring progress on the implementation of the resolution. Baseline indicators had been established and a set of targets would be devised for the exercise later in 2013. An action plan for implementing the resolution had been adopted, and a number of agencies had already their simplified project-management policies and harmonized them with the UNDAF approach. An agreement had been reached on sharing the costs of the resident coordinator system, and the 2013–2016 strategic plan of the High-Level

Committee on Management had been endorsed. A major study on interoperability between enterprise resource planning systems had furthermore been launched.

Improvements were needed in the areas of procurement, financial systems, monitoring, reporting, evaluation and harmonization of business practices, if the goals set out in the resolution were to be achieved by 2016. There was also a need to align the strategic plans of United Nations entities with the cycle of the quadrennial comprehensive policy review.

Turning to the Secretary-General's report on funding of operational activities for development, which had been circulated by the Secretariat in an informal paper, he said that total contributions to the United Nations system in 2011 had declined by 6.9 per cent in real terms, compared to 2010. However, between 1996 and 2011, trends in funding for both development and humanitarian assistance had been positive. Some 20 per cent of all contributions to the multilateral system in 2011 had been channelled through the United Nations development system. Ongoing diversification of the system's funding base meant that the imbalance between core and non-core funding remained. Some 90 per cent of non-core contributions were single-donor and programme- and project-specific, which explained the fragmentation of the funding architecture and the high transaction costs.

Panel discussion on progress in the implementation of General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system: perspectives from United Nations programme countries

The President said that the quadrennial comprehensive policy review represented a major shift in the way that the United Nations development system functioned. The panel discussion would be an opportunity to hear from four programme countries about how the system in their country responded or could respond more effectively to their development needs.

Ms. Pires (Observer for Timor-Leste, Minister of Finance) said that institutional reforms must start with questions about the fundamental mandate and vision of the institution concerned and how the institution could best be structured. The same held true for the United Nations, which had become overly complex and thus could easily be diverted from its core mandate. To "deliver as one", the Organization must return to its core mission.

She wondered whether it would be possible to harmonize the strategic plans of United Nations agencies with those of Governments, since the UNDAF plans appeared to be prepared in advance and that made it difficult to adapt Governments' plans later. She said that the framework for monitoring implementation of the resolution must be evidence-based. More generally, the United Nations must have a stronger in-country presence and must make it clear whether its objective was to help Governments to achieve the Millennium Development Goals or to monitor progress in that regard. All its activities should be driven by a clear goal that was underpinned by the core mandate of the United Nations.

Mr. Inthamit (Observer for the Lao People's Democratic Republic, Vice-Minister for Planning and Investment) said that the United Nations had contributed significantly to his country's development, and that system-wide coherence was crucial if United Nations agencies were to increase their impact on development. With regard to country-level programming, his Government and United Nations agencies were developing joint approaches and programmes to tackle issues relating to food security, nutrition and maternal health, and the UNDAF for his country had been closely aligned with the Government's socioeconomic development plan. However, the work involved had put a strain on existing resources and many of the savings made had been lost because head

offices of United Nations agencies had insisted on using their own methodologies. A single format for processes, tools and documents should be therefore developed. Increased coordination was also needed within government structures to ensure that harmonized approaches were taken to development issues.

Resident coordinators should be given a strengthened mandate and country team members should be required to report to them. Systems and procedures should be harmonized across head offices of United Nations agencies so as to support the work of resident coordinators. A clearer cost-sharing formula should also be devised and arrangements made to ensure long-term predictability of financing.

His Government was making good progress with the “Delivering as One” approach but saw the need for a more clearly defined role for resident coordinators in that area. Lessons learned in other countries and input from coordination mechanisms and country teams should be used to enhance system coherence. Lastly, the strong commitment to coordination and reform shown by United Nations agencies at the country level must be matched by commitment at the headquarters level.

Mr. Volkov (Observer for Kazakhstan, Deputy Minister of Foreign Affairs) said that the capital of Kazakhstan, Almaty, was host to a large number of United Nations agencies, including the subregional office of the Economic and Social Commission for Asia and the Pacific. The Memorandum of Understanding between the Government of Kazakhstan and the United Nations Development Programme, which had been signed in 2009, had further deepened cooperation and paved the way for co-financing arrangements. The UNDAF for Kazakhstan provided a strategic road map for joint action in the areas of economic and social development, environmental sustainability and good governance.

Thanks to rapid growth, assisted by more than two decades of cooperation with the United Nations at country level, Kazakhstan had passed from being a recipient of aid to being a development partner. It hoped to receive support from the United Nations country office as it established its own aid agency, KazAID. Kazakhstan had set itself the ambitious goal of joining the ranks of the high-income countries by 2016. Consultations had been held at the national and local levels with United Nations and civil society representatives on the outlook beyond 2015. Capable, fair and accountable government had been identified as central to long-term sustainable development.

The imminent withdrawal of international coalition forces from Afghanistan would pose new challenges for the region. Enhanced international coordination of humanitarian assistance operations and activities to support the economic rehabilitation of post-conflict Afghanistan would be vital. His Government had offered to host a regional hub for United Nations operations in Almaty and had allocated funds for a complex to house all Almaty-based United Nations agencies under one roof. Warehouses for United Nations humanitarian aid could also be built with no additional funding required from the United Nations.

Mr. Ricketts-Hogan (Observer for Ghana, Deputy Minister of Finance) said that a flexible approach to the evolving needs of recipient countries was needed to improve the flow and quality of development funding. Plans to increase funding should be preceded by United Nations country team assessments of needs and of the capacity of specific sectors to absorb funds. The risk of Dutch disease — the danger that capital inflows could place upward pressure on exchange rates and thereby make the recipient country’s exports more expensive — must be minimized. One way of achieving that was to channel development aid towards infrastructure. It was equally important to foster short-term and midterm economic growth and good governance and to prepare an exit strategy for the time when scaled-up funding would no longer be needed.

The establishment of the action plan for the United Nations Development Assistance Framework, coupled with local planning and joint environment and sustainable development projects, had constituted a significant advance for Ghana. Periodic reviews ensured policy alignment. Channels of communication must be opened between the reporting and monitoring mechanisms of development agencies and those of Governments. Since the State retained broad responsibility for ensuring accountability, it should be given access to aid information management systems. In the interests of boosting the “Delivering as One” initiative, United Nations resident coordinators should become the sole point of contact between non-resident United Nations development agencies and Governments. Ghana had opted to join the list of countries piloting the “Delivering as One” system, and others should be encouraged to follow suit. The United Nations could learn from Governments about reform of business practices.

Ms. Clark (United Nations Development Programme (UNDP)) said that feedback from programme countries served to improve the performance of the United Nations development system. The United Nations had extensive expertise and the capacity to handle matters such as poverty reduction, inequality, climate change and resilience to volatility and shocks. However, its reputation would be measured against its performance on the ground.

The quadrennial comprehensive policy review and action plan must be used to monitor United Nations programme delivery and use of funds and country programmes must be aligned with national development plans. She said that a new job description for resident coordinators was currently being drafted to address issues such as the accountability of country team members. Many agencies already sought the views of resident coordinators when appraising country team members. Steps were being taken to enhance the planning and coordination functions of resident coordinators and give them the authority to modify projects and programmes in line with the UNDAF process and to adapt the UNDAF in line with the broader strategy of the United Nations development system.

UNDP bore the brunt of the cost of resident coordinators. However, contributions from Member States were needed at a time when the coordination system was expected to do more and better with less. She welcomed the readiness of the Government of Kazakhstan to support a sustainable United Nations presence in the country and highlighted Almaty’s relevance as a regional hub. She said that effective cost-sharing arrangements with middle-income countries were of vital importance and that United Nations agencies would be pleased to support the establishment of KazAID.

Ms. Ellij (New Zealand) requested further details about KazAID and how the future agency would align its work with national development plans.

Mr. Volkov (Observer for Kazakhstan) said that KazAID was a mechanism for assisting the country’s Central Asian neighbours with their development activities and was part of his country’s long-term development strategy. Prosperity in Kazakhstan would last only if other countries in the region were doing well too. Regional concerns included water supply, transport and drug-trafficking problems and issues arising from the withdrawal of coalition forces from Afghanistan. Kazakhstan had been cooperating with Afghanistan in the past and would seek further involvement during the post-conflict transition. KazAID would be cooperating with USAID, the European Union, the Baltic-Nordic States and others.

Ms. Pires (Observer for Timor-Leste) said that her Government had recently approved a decision to establish an agency in Guinea-Bissau to provide development support to that country. Timor-Leste provided assistance in fragility assessments, for example, to ensure country ownership of development processes.

Mr. Panneels (Observer for Belgium) said that he wondered whether it was the multitude of mandates in the United Nations system or the different nature of those mandates that hampered “Delivering as One” at the field level.

Ms. Adhikari (Nepal) said that United Nations country-level policies, programmes and activities must be streamlined and brought into line with national priorities in order to enhance the effectiveness of development programmes. Country ownership and leadership, “Delivering as One”, monitoring and evaluation, and lesson-sharing were also vital.

Mr. Mabri Toikeuse (Observer for Côte d’Ivoire) praised Kazakhstan on making the transition to becoming a development partner. That illustrated the effectiveness of United Nations development aid. He said that KazAID should operate beyond Central Asia to allow other countries to benefit from the experience of Kazakhstan.

Alignment of United Nations field activities with national development plans was as important as monitoring, evaluation and reporting. Côte d’Ivoire invited the heads of United Nations agencies to align their activities with national development plans annually. The midterm assessment of national development plans was an important opportunity to do so and should be conducted with the participation of all stakeholders.

Ms. Chartres (Observer for Australia) asked panellists if they would share their experiences concerning coordination between the United Nations system and the Bretton Woods institutions.

Ms. Pires (Observer for Timor-Leste) said that the interaction between the United Nations system and the Bretton Woods institutions had long been characterized by competition and rivalry. In the past, discord had often been rooted in misunderstandings, but there had been a marked improvement. More frequent meetings had done much to improve relations. When it came to monitoring and reporting, the key performance indicators of United Nations agencies should be linked to results on the ground. Indicators should be reviewed, adapted to country-specific circumstances and defined more clearly.

Mr. Inthamit (Observer for the Lao People’s Democratic Republic) said that it was important for Governments to engage in joint monitoring exercises with United Nations agencies and other development partners. The Lao Government regularly met with the United Nations resident coordinator and used round-table meetings as an opportunity to bring development partners together. A joint review was held at least once a year with international financial institutions. Yearly reviews with all United Nations agencies, whether accredited or not, would be desirable. The current United Nations Development Assistance Framework plan covered the period from 2012 to 2016 and thus was largely in line with the national development plan for 2011–2015.

Mr. Song Shangze (China) said that he would like to know how Kazakhstan envisaged the nature of United Nations development assistance changing as it became a high-income State.

Mr. Laher (South Africa) asked whether the expansion in South-South cooperation had created further coordination challenges.

Mr. Volkov (Observer for Kazakhstan) said that the work of SOS Children’s Villages International in Kazakhstan, which had previously been financed through the association’s regional headquarters in Austria, was currently funded by the State. The same principle would apply to the work of United Nations agencies; the financial burden for development projects would gradually be assumed by the State.

Ms. Pires (Observer for Timor-Leste) said that the challenges posed by South-South cooperation were similar to those associated with development assistance in general. The key to success lay in coordination and in the identification of agencies’ strong points.

Mr. Inthamit (Observer for the Lao People's Democratic Republic) said that triangular cooperation had proved useful for his country, which had been able to tap into the expertise of specialists in neighbouring countries at considerably less cost than would have been the case with specialists from developed countries.

Ms. Clark (United Nations Development Programme (UNDP)) said that steps were being taken to streamline coordination activities and avoid overlaps and gaps between development agencies. The "Delivering as One" approach had demonstrated the leading role that Governments could play in ensuring that United Nations agencies worked together. It was important to encourage multilateral and regional financial institutions to cooperate with the United Nations system on the ground. The World Bank was currently involved in United Nations development projects in only 19 countries. However, it had expressed full support for activities to accelerate progress on the Millennium Development Goals. It was likely that funding for resident coordinators would be lower than in previous years.

Ms. Fladby (Observer for Norway) said that it would be interesting to know more about the results of measures taken to enhance government involvement in development coordination.

Mr. Kabaev (Kyrgyzstan) said that the United Nations country team in Kyrgyzstan had closely consulted the Government before finalizing its development assistance framework action plan. In order to reinforce alignment processes and prevent planning bottlenecks, the Government would hold further meetings with international financial institutions, the country team and development partners in the near future.

Mr. Koppers (Observer for Germany) asked how the role of resident coordinators could be reinforced and whether the United Nations favoured such an objective.

Mr. Inthamit (Observer for the Lao People's Democratic Republic) said that his country had embarked on the "Delivering as One" approach as a self-starter. His Government worked closely with the main development agencies and carried out joint reviews. Staff and funding for the resident coordinator in the Lao People's Democratic Republic had been cut back drastically at a time when the country was attempting to apply the "Delivering as One" approach.

Ms. Pires (Observer for Timor-Leste) said that the Government of Timor-Leste had initially engaged experts from the World Bank to assist it with coordination efforts and to train officials. The outcome had been positive and the Government had chaired coordination meetings since then.

The President said that "Delivering as One" only made sense if the United Nations worked as one and the Government of the country in question did likewise. The role of resident coordinators was crucial and strengthening their position would be of benefit to country teams. Governments, however, remained the main partner at all stages of drafting, implementing and evaluating development plans. Countries that were considering the idea of joining the "Delivering as One" initiative needed more detailed guidance from the United Nations on how the initiative worked. The United Nations, for its part, needed to adapt to the pace of change in recipient countries.

The meeting rose at 1.05 p.m.